



February 11, 2003

HOUSE BILL No. 1393

DIGEST OF HB 1393 (Updated February 4, 2003 5:59 PM - DI 108)

Citations Affected: IC 8-22; IC 36-8; noncode.

Synopsis: Cumulative building and equipment funds. Allows any local government unit or fire protection district to use its cumulative building and equipment fund for the purchase of radio equipment. (Current law allows municipalities to use the fund to purchase police radio equipment.) Provides that the cumulative building and equipment fund tax rate may not exceed \$0.05 on each \$100 of assessed value. (Current law limits the rate at \$0.0333.) Allows a local airport authority to make expenditures from a cumulative building fund to facilitate and support commercial intrastate air transportation. Makes conforming changes.

Effective: July 1, 2003.

Bischoff

January 14, 2003, read first time and referred to Committee on Local Government.
February 10, 2003, amended, reported — Do Pass.

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February 11, 2003

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1393

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 8-22-3-25, AS AMENDED BY P.L.1-1999,
2 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2003]: Sec. 25. (a) The board may provide a cumulative
4 building fund in compliance with IC 6-1.1-41 to provide for the
5 acquisition of real property, and the construction, enlarging, improving,
6 remodeling, repairing, or equipping of buildings, structures, runways,
7 or other facilities for use in connection with the airport ~~and~~ needed to
8 carry out this chapter **and to facilitate and support commercial**
9 **intrastate air transportation.**

10 (b) The board may levy in compliance with IC 6-1.1-41 a tax not to
11 exceed:

12 (1) thirty-three hundredths of one cent (\$0.0033) on each one
13 hundred dollars (\$100) of assessed value of taxable property
14 within the district, if an eligible entity other than a city established
15 the district or if the district was established jointly with an eligible
16 entity that is not a city;

17 (2) one and thirty-three hundredths cents (\$0.0133) on each one

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hundred dollars (\$100) of assessed value of taxable property within the district, if the authority was established under IC 19-6-3 (before its repeal on April 1, 1980); and (3) for any other district not described in subdivision (1) or (2), the following:

Total Assessed Property Valuation	Rate Per \$100 Of Assessed Valuation
\$300 million or less	\$0.0167
More than \$300 million but not more than \$450 million	\$0.0133
More than \$450 million but not more than \$600 million	\$0.01
More than \$600 million but not more than \$900 million	\$0.0067
More than \$900 million	\$0.0033

As the tax is collected it may be invested in negotiable United States bonds or other securities that the federal government has the direct obligation to pay. Any of the funds collected that are not invested in government obligations shall be deposited in accordance with IC 5-13-6 and shall be withdrawn in the same manner as money is regularly withdrawn from the general fund but without further or additional appropriation. The levy authorized by this section is in addition to the levies authorized by section 11 and section 23 of this chapter.

SECTION 2. IC 36-8-14-2, AS AMENDED BY P.L.140-2002, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 2. (a) As used in this section, "emergency medical services" has the meaning set forth in IC 16-18-2-110.

(b) As used in this section, "volunteer fire department" has the meaning set forth in IC 36-8-12-2.

(c) The legislative body of a unit or the board of fire trustees of a fire protection district may provide a cumulative building and equipment fund under IC 6-1.1-41 for the following purposes:

(1) The:

(A) purchase, construction, renovation, or addition to buildings; or

(B) purchase of land;

used by the fire department or a volunteer fire department serving the unit.

(2) The purchase of firefighting equipment for use of the fire department or a volunteer fire department serving the unit, including making the required payments under a lease rental with



option to purchase agreement made to acquire the equipment.

(3) ~~In a municipality~~, The purchase of ~~police~~ radio equipment.

(4) The:

(A) purchase, construction, renovation, or addition to a building;

(B) purchase of land; or

(C) purchase of equipment;

for use of a provider of emergency medical services under IC 16-31-5 to the unit establishing the fund.

(d) In addition to the requirements of IC 6-1.1-41, before a cumulative fund may be established by a township fire protection district, the county legislative body which appoints the trustees of the fire protection district must approve the establishment of the fund.

SECTION 3. IC 36-8-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) To provide for the cumulative building and equipment fund established under this chapter, the legislative body may levy a tax on all taxable property within the taxing district in compliance with IC 6-1.1-41. The tax rate may not exceed ~~three and thirty-three hundredths~~ five cents (~~\$0.0333~~) **(\$0.05)** on each one hundred dollars (\$100) of assessed valuation of property in the taxing district.

(b) As the tax is collected, it shall be deposited in a qualified public depository or depositories and held in a special fund to be known as the "building or remodeling, firefighting, and ~~police~~ radio equipment fund". ~~in the case of a municipality or as the "building or remodeling and fire equipment fund" in the case of a township or fire protection district.~~

SECTION 4. [EFFECTIVE JULY 1, 2003] IC 36-8-14-4, as amended by this act, applies to property taxes first due and payable after December 31, 2003.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1393, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 8-22-3-25, AS AMENDED BY P.L.1-1999, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 25. (a) The board may provide a cumulative building fund in compliance with IC 6-1.1-41 to provide for the acquisition of real property, and the construction, enlarging, improving, remodeling, repairing, or equipping of buildings, structures, runways, or other facilities for use in connection with the airport ~~and~~ needed to carry out this chapter **and to facilitate and support commercial intrastate air transportation.**

(b) The board may levy in compliance with IC 6-1.1-41 a tax not to exceed:

- (1) thirty-three hundredths of one cent (\$0.0033) on each one hundred dollars (\$100) of assessed value of taxable property within the district, if an eligible entity other than a city established the district or if the district was established jointly with an eligible entity that is not a city;
- (2) one and thirty-three hundredths cents (\$0.0133) on each one hundred dollars (\$100) of assessed value of taxable property within the district, if the authority was established under IC 19-6-3 (before its repeal on April 1, 1980); and
- (3) for any other district not described in subdivision (1) or (2), the following:

Total Assessed Property Valuation	Rate Per \$100 Of Assessed Valuation
\$300 million or less	\$0.0167
More than \$300 million but not more than \$450 million	\$0.0133
More than \$450 million but not more than \$600 million	\$0.01
More than \$600 million but not more than \$900 million	\$0.0067
More than \$900 million	\$0.0033

As the tax is collected it may be invested in negotiable United States bonds or other securities that the federal government has the direct obligation to pay. Any of the funds collected that are not invested in

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government obligations shall be deposited in accordance with IC 5-13-6 and shall be withdrawn in the same manner as money is regularly withdrawn from the general fund but without further or additional appropriation. The levy authorized by this section is in addition to the levies authorized by section 11 and section 23 of this chapter."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1393 as introduced.)

MOSES, Chair

Committee Vote: yeas 13, nays 0.

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